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INTERSECTORAL ACTIVITIES AND CROSS-SECTORAL CONCERNS, IN PARTICULAR THE INVOLVEMENT OF THE BUSINESS COMMUNITY IN ECE ACTIVITIES

Note by the Executive Secretary

- This note reviews the ECE intersectoral activities, highlighting progress made on the follow-up to the Vienna Ministerial Conference on Transport and Environment and, more recently, to the London Charter on Transport, Environment and Health. The Commission may wish to acknowledge the on-going efforts as proposed in paragraph 13 below.

- It also reviews progress made in ECE's relationship with the business community as one of the cross-sectoral concerns identified by the Plan of Action and raises a number of issues relating to principles which should govern such cooperation, namely mutual benefits, promotion of the UN development agenda, prevention of unfair comparative advantage and equal access to ECE's public goods. The Commission may wish to take appropriate action to address these issues as suggested in paragraphs 23 and 24 below.

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1. This report responds to a request contained in the Plan of Action, as well as to that of the Ad Hoc Working Group established to consider issues related to the involvement of the business community in ECE activities as a cross-sectoral concern. In addition, it provides information on developments in intersectoral activities.

I. DEVELOPMENTS IN INTERSECTORAL ACTIVITIES

Transport and Environment

2. Transport and environment is at present the most developed intersectoral activity within the ECE. Since the last session of the Commission, significant progress has been achieved on the follow-up to the Vienna Ministerial Conference on Transport and the Environment. Furthermore, the ECE is involved in the follow-up to the Charter on Transport, Environment and Health adopted at the Third Ministerial Conference on Environment and Health (London, June 1999).

(a) Follow-up to the Vienna Conference

3. The number of National Focal Points (NFPs) has steadily increased: 44 ECE member States have now appointed a NFP, either in the Ministry of Transport (12) or in the Ministry of Environment (20), or in both (10), or in other ministries (2). As a result, the exchange of information on issues covered by the Vienna Programme has significantly expanded. The network also includes those organizations and countries which are Lead Actors for international activities contained in the Programme of Joint Action (POJA) adopted in Vienna. Taking advantage of the transport and environment page set up on the ECE website and linkages established with the focal points and lead actors, other experts in this field can contact the latter and provide information on their own projects, thereby strengthening the evolutive and interactive character of the system.

4. The second Joint Meeting on Transport and the Environment (JMTE) was held in June 1999. It reviewed reports on national and international activities and requested the secretariat to convene a meeting of the national focal points, international lead actors and other experts in order to identify key priorities in the POJA based on long-term regional objectives and technical and scientific developments, to establish a revolving work plan and to prepare the 2002 mid-term review.

5. The meeting of national focal points took place on 7-8 February 2000 in Geneva. Its main task was to discuss three documents which are expected to become basic tools for the follow-up of the Vienna process. The first gives an overview of the activities and projects of member States, at

the national level. The second identifies priorities for international activities. The third outlines a draft work plan for the period July 2000-July 2001 for the implementation of the POJA at the international level.

6. The meeting agreed on ways to improve the format of these documents and the methodology for priority setting. It felt that it was important to regularly update and develop them with a view to identifying issues of common concern among countries, indicating potential areas for cooperation, adjusting priorities and facilitating the establishment of work plans on transport and environment. The documents are being revised and will be submitted to the third Joint Meeting on Transport and the Environment to take place on 6 June 2000. The meeting also established a table describing specific expertise that countries and organizations can offer, or wish to receive, in the field of transport and the environment. This table will be developed according to further information which member countries, international organizations and non-governmental organizations will provide.

7. Finally, the meeting made proposals on the setting up of a joint ad hoc expert group on transport and the environment to be attached to the JMTE, and on the preparation of the 2002 Mid-Term Review of the POJA. Subsequently, these proposals were endorsed by the annual session of the Inland Transport Committee and the Bureau of the Committee on Environmental Policy. They will be submitted next June to the JMTE for decision.

(b) Follow up to the London Charter on Transport, Environment and Health

8. The Charter refers several times to the Vienna Conference and states that linkages must be established between the two processes, in particular through cooperation between WHO and the ECE, for a coordinated follow-up and implementation. Furthermore, it calls on WHO and ECE to:

> "provide an overview of relevant existing agreements and legal instruments, with a view to improving and harmonizing their implementation and further developing them as needed. A report on this overview should be submitted at the latest by spring 2000, recommending which further steps are needed. That report should cover the possibility of new non-legally binding actions and the feasibility, necessity and content of a new legally binding instrument (e.g. a convention on transport, environment and health), focusing on bringing added value to, and avoiding overlaps with, existing agreements."

9. Following this decision, a draft inventory of legal instruments relevant for transport, environment and health was prepared by a group of consultants, under the guidance of the ECE

and WHO secretariats, with the financial support of the Government of Denmark. Another document was prepared by the ECE secretariat, outlining political targets and objectives for transport, environment and health as contained in the Vienna Declaration, the POJA, the London Declaration and the Charter.

10. A joint ECE/WHO session took place on 9 February 2000 to review the two documents. It was agreed that they should be completed in the light of the discussion and that further comments could be received from those member States, international organizations and NGOs which are interested in providing views for the finalization of the report.

11. These interested stakeholders were also invited to provide their views on the identification of gaps between existing instruments and political targets as well as on the preparation of relevant recommendations. The revised draft report will be examined at a meeting in mid-April, after which the WHO and ECE secretariats will further elaborate recommendations while continuing consultations with the group of interested stakeholders.

12. A joint WHO/ECE session will take place on 7 June 2000 where a new revised draft will be presented in order to receive the last comments. The two secretariats will subsequently finalize the report and submit it to a high level meeting of transport, environment and health officers to be convened by the end of 2000 in order to take decisions on the recommendations outlined in the report.

13. The Commission may wish to express its appreciation for the priority given to transport and environment by the Inland Transport Committee, the Committee on Environmental Policy and their respective Bureaux. It may also wish to encourage the Joint Meeting on Transport and the Environment to actively pursue the overall monitoring and implementation of the Programme of Joint Action.

Energy and Environment

14. Under the impact of growing environmental concerns about energy production and use, the Committee on Sustainable Energy reviewed its programme of work in 1997 to give more emphasis to issues relating to the sustainable development and use of energy. At its last session in November 1999, the Committee discussed the barriers that currently exist in integrating energy and environmental policies, the need to create new interdisciplinary linkages and attitudes in policy-making, and to establish an equity approach (balance between conflicting interests and objectives).

15. The Committee also approved a number of supportive actions at the regional level, to support the preparations leading up to the annual session of the Commission on Sustainable Development in 2001 (CSD-9) which will be devoted to energy and environmental issues. For this purpose, an Intergovernmental Task Force was established to guide ECE's contribution to CSD-9, to identify the key regional energy sustainability issues and then to promote the implementation of the outcome of CSD-9 in the ECE region. A High-level Multi-stakeholder Forum on Forging Partnerships in a Competitive Energy Market will also be organized in conjunction with the annual session of the Committee on Sustainable Energy in November 2000.

16. While these activities are being conducted under the auspices of the Committee on Sustainable Energy, they will be coordinated with relevant work and activities of the Committee on Environmental Policy. Moreover, the legal instruments developed under the auspices of the Committee on Environmental Policy and its subsidiary bodies will be highlighted and promoted.

II. INVOLVEMENT OF THE BUSINESS COMMUNITY IN ECE ACTIVITIES

17. The Ad Hoc Group of Experts on Relations with the Business Community requested all PSBs to review their cooperation with the business community. The PSBs have taken up this issue in their annual meetings. The presentation below synthesizes the findings in accordance with the guidance provided by the Ad Hoc Group, namely: areas of ECE activities where the business community is involved; how the business community is participating in these activities; breakthrough in furthering the relationship with the business community; difficulties encountered; and conclusions.

Areas of involvement

18. The review shows that the business community is involved in most areas of work of ECE and in particular in the activities related to the following intergovernmental bodies of ECE:

Transport

- Inland Transport Committee
- World Forum for Harmonization of Vehicle Regulations (formerly the Working Party on the Construction of Vehicles)
- Working Party on Road Traffic Safety
- Working Party on Customs Questions Affecting Transport
- Working Party on Inland Water Transport
- Working Party on Combined Transport
- Working Party on the Transport of Perishable Foodstuffs

Working Party on Road Transport
Working Party on the Transport of Dangerous Goods

Trade, Industry and Enterprise Development
Committee on Trade, Industry and Enterprise Development
Centre for Facilitation of Procedures and Practices for Administration, Commerce and Transport (CEFACT)
Working Party on International Legal and Commercial Practice and its related sub-groups (Real Estate Advisory Group, BOT Group, Group on the implementation of intellectual property rights)
Working Party on Technical Harmonization and Standardization Policies
Working Party on Standardization of Perishable Produce and Quality Development
Ad Hoc Group of Experts on Steel
Ad Hoc Group of Experts on the Chemical Industry

Energy
Committee on Sustainable Energy and related ad hoc groups of experts
Working Party on Gas
Gas Centre
Steering Committee of the Energy Efficiency 2000 Project and its related expert groups

Timber
Teams of specialists attached to the Timber Committee

Human settlements
Committee on Human Settlements
Working Party on Land Administration (MOLA)
Housing and Urban Management Advisory Network (HUMAN)

Types of participation

19. The involvement of the business community in ECE activities takes four main forms:

(a) Participation in national delegations, either as mandated government representatives or as advisers. This is the case, for example, in those ECE bodies which focus on norm- and standard-setting, such as CEFACT and the Working Party on Standardization of Perishable Produce and Quality Development.

(b) Participation through representation in the delegations of international non-governmental organizations such as chambers of commerce, union of producers and other international professional associations. These non-governmental organizations can influence the norm- and standard-setting process through their expertise and practices (e.g. Organisation internationale des constructeurs automobiles (OICA) in WP.29) and/or provide their views on various issues debated in ECE bodies (e.g. International Chamber of Commerce on business promotion and the International Gas Union on the development of supply and demand of gas in the region).

(c) Participation as individual firms in specific events such as forums, round tables, training workshops and study tours.

(d) Participation in the preparation of studies e.g. Annual review of the steel market, Annual market review of forest products, and Study on underground gas storage.

Benefits

20. ECE cooperation with the business community has to be based on mutual benefits and interest. Along this line, the following can be highlighted:

(a) For ECE:

(i) In their deliberations for setting norms and standards within ECE, all countries benefit from the technical expertise and experience of the business community in the sector concerned.

(ii) Countries with economies in transition benefit from the expertise, technology, advice of and contacts with the business community for:

- developing an economic and legal environment conducive to increased trade, investment and enterprise development.
- capacity building and training for the implementation of ECE norms and standards and of policy guidelines related to sectoral reforms and to trade, investment and business practices on market terms.

In addition, they also benefit from financial support for seminars, study tours and other projects contributing to such capacity building and training.

(b) For the business community:

(i) It benefits from increased investment and trade opportunities in economies in transition through its contribution to the development of an orderly regulatory environment.

(ii) Sectoral constituencies within the business community can share their concerns and make proposals in norm- and standard-setting work. At the same time, they keep abreast of the evolution of their sectors, thereby enabling firms to make appropriate investment planning and to maintain a competitive edge.

(iii) It can benefit from ECE networks and forums to gain greater access to governments, in particular through contacts with officials in the relevant Ministries of ECE member States.

(iv) It can also develop contacts among members of the business community and with ECE networks of experts, thereby increasing the opportunity for business expansion.

Breakthrough

21. In the last few years, the following breakthrough in ECE's partnership with the business community can be outlined:

(a) Extension of CEFACT. The number of groups and the network of national trade facilitation bodies working under CEFACT have significantly expanded. These groups and bodies involve a large number of private sector associations and technical experts that have a leading role in developing EDIFACT norms and language. In total it is estimated that several thousands of experts are involved in the work worldwide.

(b) Increased participation of enterprises in forums and training events for countries with economies in transition (e.g. Forum on Intellectual Property Rights, training seminars within the framework of Energy Efficiency 2000).

(c) Development of new private-public partnerships. Two self-financed advisory groups, consisting of private and public sector experts, have been formed. These are the Build, Operate and Transfer Group (BOT group) and the Real Estate Advisory Group (REAG) with the

objectives of formulating guidelines, respectively, on Build, Operate and Transfer (BOT) financing techniques and on the promotion of real estate markets in central and eastern Europe.

(d) Establishment of the Housing and Urban Management Advisory Network (HUMAN). The network brings together experts from private business, financial institutions, NGOs, professional associations, research institutions and local authorities. It advises the Committee on Human Settlements on housing, planning and land administrations issues, and facilitates the transfer of knowledge and know-how to economies in transition in these areas.

(e) ECE is second among international organizations in Geneva for the number of hits received on the ECE web site. While it is difficult to identify their origin, it is very likely that the majority of enquiries originate from enterprises seeking information on conventions, norms, standards and other ECE activities of interest to them.

Difficulties

22. The following difficulties have emerged from the review:

(a) The private sector often finds UN financial regulations and procedures too complex, lengthy and rigid, and it is therefore is reluctant to contribute resources.

(b) The business community sometimes also feels that, because of its heavy structure and intergovernmental decision-making process, the UN mode of functioning is slow and has difficulties in adapting to new developments and initiating actions accordingly.

(c) In spite of the significant progress in information dissemination through electronic means, some ECE products (such as recommendations from workshops and seminars, or lessons from study tours) still have some difficulty in going beyond the traditional ECE constituencies and reaching the business community at large.

(d) While a larger involvement of small and medium-sized enterprises (SMEs) in ECE activities is desirable, this faces a number of obstacles, in particular SMEs' weak or non-existent representation in business associations having access to the UN, as well as their lack of finance, personnel and time for such participation.

Issues for further action by the relevant ECE bodies:

23. Taking into account the views expressed so far, it appears that ECE cooperation with the business community has progressed well and that both sides are keen to develop it further. However, in view of the above-mentioned difficulties, careful attention should be paid to the following issues:

(a) Ensuring a real partnership whereby the business community benefits from its participation and at the same time contributes to the economic development of countries with economies in transition. For example, the business community should be requested to provide more financial support to seminars, workshops and other training activities as a contribution to the dissemination and implementation of conventions, norms and standards in these countries.

(b) Ensuring that the business community's cooperation is limited to activities which are in line with and promote the basic UN principles, conventions and norms for better quality of life and social and environmental sustainability. Specific criteria could be developed for identifying such types of activities according to the nature of the areas concerned.

(c) Promoting equal access by enterprises to ECE's public goods - information, region-wide forums, and norms and standards - thereby minimizing the risk that firms already dominant in the market of their sector are given a further comparative advantage. For this purpose, steps could be taken to increase representation of SMEs in ECE activities and to ensure the dissemination of ECE products among the widest possible range of business constituencies.

(d) Speeding up the process of taking decisions on new initiatives such as the establishment of public-private advisory groups. One possibility would be to entrust the Bureaux of the PSBs to take such decisions provided they are in compliance with guidelines to be agreed by the relevant PSBs.

24. The Commission may wish to encourage the PSBs to pursue their cooperation with the private sector, addressing in particular the recommendations made in paragraph 23 above. Conclusions and proposals resulting therefrom should subsequently be reported to the Ad Hoc Working Group on Relations with the Business Community.